Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
Rural Call Completion	)	WC Docket No. 13-39

COMMENTS OF FRONTIER COMMUNICATIONS CORPORATION

Frontier Communications Corporation ("Frontier") hereby submits the following comments in response to the Federal Communications Commission's ("Commission" or "FCC") request for comment on its *Notice of Proposed Rulemaking* addressing rules designed to help curb rural call completion problems.[1] Frontier Communications ("Frontier") takes its call completion obligations under the Communications Act very seriously. As a carrier that has had calls fail to terminate to its own customers, Frontier knows first-hand how frustrating this issue can be for the customer and the terminating carrier. While Frontier encourages the Commission to continue its vigilance to ensure rural call completion, the *NPRM*'s proposed rule changes would create burdens that outweigh the benefits, particularly in a time of rapid change throughout the industry.

I. FRONTIER' RURAL CHARACTER MAKES IT WELL POSITIONED TO EVALUATE THE EFFECTS OF THE COMMISSION'S PROPOSED REQUIREMENTS

Frontier, which operates a telecommunications network across 27 states, is the largest provider of communications services focused on rural America. Frontier offers retail interstate

[1] *In re*: Rural Call Completion, WC Dkt. Nos. 13-39, *Notice of Proposed Rulemaking*, FCC 13-18 (rel. Feb. 7, 2013) ("*NPRM*").

and intrastate long distance service through multiple branded affiliates though Frontier does not actually own the underlying transmission facilities beyond our local network; instead the call is passed off to one of our wholesale partners that provides the transport and termination of those calls. Frontier does not knowingly allow its partners to engage in arbitrage, FCC rule violation, or poor customer service, particularly as the carriers are paid by Frontier for the service at the appropriate jurisdictional rate.

The Commission has noted that "[c]all completion problems appear to occur particularly in rural areas served by rate-of-return carriers, where the costs that long-distance providers incur to complete calls are generally higher than in non-rural areas."[2] Frontier has a balanced perspective on the issue because while it is a price cap carrier with a long-distance affiliate, Frontier is also a carrier in some particularly rural areas with comparatively higher per-minute access charges. For example in Frontier's Pennsylvania territory, Frontier's intrastate terminating access charges as of June 30, 2012 were more than double the rate for interstate charges, with the intrastate rate reduced by 50% of the difference to the interstate rate on July 1, 2012. Because of the higher rates for intrastate call completion there, Frontier has experienced its own challenges and frustrations in assuring that calls are completed to its customers in these areas. Also, 56 of Frontier's total operating carrier numbers (OCNs) are included on NECA's list of rural OCNs implicated under the Commission's *NPRM*, further indicating the rural character of Frontier's operating areas.[3] Accordingly, Frontier is a willing partner in trying to solve the rural call completion issues that the Commission has identified.

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[2] *Id*. at ¶ 6.

[3] *See* Wireline Competition Bureau Announces Deadlines for Comments on Rural Call Completion Notice of Proposed Rulemaking, Invites Comment on List of Rural Operating Carrier Numbers, *Public Notice*, WC Dkt. No. 13-39, DA 13-780 (rel. Apr. 18, 2013). Under the Commission's proposed rules, originating long distance providers would be required to record

II. THE PROPOSED REPORTING AND RECORD RETENTION RULES MAY NOT ACCURATELY ASSESS RURAL CALL COMPLETION ISSUES AND ARE BURDENSOME GIVEN THE TRANSITION AWAY FROM ACCESS RATES

While Frontier supports the Commission's efforts to ensure all calls are completed regardless of their destination, the proposed rules do not present a true representation of rural call completion issues or adequately balance the burdens of compliance given the transitional nature of terminating access rates. As Frontier explains below, the Commission should consider changes to both the reporting requirements and the underlying record retention requirements in order to avoid costly burdens and improve the quality of the data collected.

A. The Commission Should Evaluate the Impact of Having Parity in Interstate and Intrastate Access Rates Before It Proceeds To Implementing Data Reporting and Retention Requirements

As a threshold matter, Frontier believes that the Commission should avoid adopting any new regulations until the Commission analyzes the effect that harmonizing interstate and intrastate terminating access rates has had on rural call completion issues. The Commission recognizes in the *NPRM* that "[i]n the *USF/ICC Transformation Order*, the Commission adopted rules that may ultimately address the root causes of many rural completion problems" because of the transition path it created for access rates, first to parity between interstate and intrastate rates, then eventually to a bill and keep methodology.[4] The Commission then states that "NARUC has argued, and we agree, that there is a need to limit the harmful effect of these rural call completion problems to consumers in the near term."[5] Yet the NARUC argument the

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call details for each call bound for a rural OCN and provide monthly summary data of the completion rates if it originated more than 100 calls per month to that OCN. *See infra* at Part II B.

[4] *NPRM* at ¶ 37.

[5] *Id.* at ¶ 38.

Commission cites is from September 2011, before the *USF/ICC Transformation Order*[6] was even adopted.

The *USF/ICC Transformation Order* has a significant milestone set to occur on July 1, 2013, when interstate and intrastate terminating access rates are set at parity. Intrastate rates have traditionally been higher than interstate rates, significantly higher in some rural areas. Thus there is reason to believe that rural call completion issues tied to intrastate long distance calls, such as those that Frontier experiences in its Pennsylvania territories, will diminish greatly just one month after the comment cycle in this proceeding ends. Given that the rural call reporting and retention requirements that the Commission proposes will require substantial investments to achieve, it would be prudent for the Commission to take advantage of the soon-approaching July 1, 2013, parity date—a mere month away—and reevaluate the status of rural call completion issues then. If rural call completion issues continue to be prevalent after July 1, 2013, then the Commission should proceed with new requirements but if the issues have abated then it could save carriers from large resource investments to solve a problem that would have already dissipated. And, while Frontier urges the Commission to reevaluate the need for these rules before implementing them, at a minimum the rules should sunset at the end of the access rate to bill and keep.

B. The 100 Call Reporting Trigger is Too Low and When Combined With the Commission's Formula for Call Completion Could Negatively Skew Results

Both the proposed reporting threshold to determine the percentage of rural calls completed, as well as what counts for a "completed call," can serve to skew the determination of effective rural call completion. The Commission proposes "to adopt a rule requiring that originating long-

[6] *In re:* Connect America Fund *et al.*, WC Dkt. 10-90, *Report and Order and Further Notice of Proposed Rulemaking*, 26 FCC Rcd. 17663 (2011).

distance providers submit in electronic form the monthly call answer rate for rural OCNs with 100 attempts or more and the nonrural monthly overall average to the Commission once per calendar quarter."[7] The Commission defines the "call answer rate" as "the number of call attempts that result in an answer divided by the total number of calls attempted, expressed as a percentage."[8] In this formula, "[a]n 'answered call attempt' means a call attempt that is answered by the called party, including, for example, by voicemail, answering machine, or fax machine."[9] Notably under this formula, a call that goes unanswered simply because the called party is not home or chooses not to answer—not because of any issue completing the call—would not count as an "answered call attempt."

Frontier believes that the reporting trigger threshold of 100 call attempts to an OCN per month is too low. The Commission does not explain where it derived its 100 call attempts per month reporting trigger but it does intimate that it feels too large of a sample size could "mask" call completion issues.[10] Frontier believes that under the proposed rules a skewed result where the "call answer rate" is inaccurately low is just as, if not more, likely than a masking effect from a larger sample size. An example demonstrates how this could happen: a grandson (whose parents are Frontier customers) has exciting news to share about his report card with his grandmother (a customer of Rural Carrier X) and calls to tell her at 3 p.m. when he gets home from school. Unfortunately, grandmother is not home and does not have voicemail. In his zeal to

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[7] *NPRM* at ¶ 20.

[8] *Id.* at ¶ 27.

[9] *Id.*

[10] *See Id.* at ¶ 21 ("For example, is the nature of chronic call routing failures such that measurement data analyzed monthly masks problems that a weekly measurement would capture?).

describe his achievements in math class, the grandson continues to call every ten minutes for the next three hours until grandmother returns from the store at 6 p.m. and answers the call. Each of the previous 17 calls,[11] though terminating properly, would count as a call attempt in the "call answer rate" formula but only one would count as an "answered call attempt" because no voicemail picked up and it simply rang until the caller hung up. In a situation where Frontier only originated 100 calls to Rural Carrier X in a month, the best Frontier could hope for would be an 83% call answer rate, considerably below the national average, and moreover not reflective of the fact that the only reason the call was not answered was because the called party was not home.

In considering its formula and how calls that are unanswered simply due to lack of voicemail could skew the results, the Commission should account for the fact that the population in rural America tends to be of a higher age and lower income than other parts of America. Based on updated data from the 2010 Census, Frontier estimates that 61% of households in Frontier's footprint have under $50,000 income per year and that 45% of the population is over the age of 55. It is likely that these income and age statistics repeat throughout rural America, making these population groups less likely to have voicemail service. Frontier offers voicemail as a feature service for a low monthly rate but its subscription rate is far from universal; to many lower income homes money spent on voicemail services is a luxury they cannot afford in the era of belt-tightening across the nation.

Other changes are also needed to the "call attempt" portion of the call answer rate formula. The *NPRM* proposes "that all call attempts to an 'unallocated' number' be retained" and "any call attempt not answered and showing a "User" category release cause code should be included

[11] This example figures 180 minutes worth of calls with a call every ten minutes, or 18 calls total.

in the total of call attempts."[12] Frontier does not currently retain records of these types of calls because with SS7 technology, neither calls dialed to an unassigned number nor "busy" calls should leave the originating office. To include these calls in future records would require Frontier to engage in major traffic separations efforts that it has never done before. The inclusion of these calls as part of the "call attempt" formula will also negatively skew call completion results.

If the Commission cannot devise a way to better tailor its "call answer rate" formula then it should adjust the call attempt per OCN reporting trigger. It is not difficult to envision a scenario where a single called number could account for a significant percentage of total calls to an OCN. Increasing the number of attempts necessary to trigger the reporting requirement from 100 call attempts to an OCN to a minimum of 1000 would help buffer against results that falsely indicate the presence of rural call completion failures by decreasing the value that any one customer who, for example, may not have voicemail, plays in the calculation. In turn, avoiding data that would falsely implicate non-existent rural call completion problems would free the Commission to focus its efforts on areas where rural call completion issues truly exist.

C. The Record Retention Requirements Necessitate Major Technological Investments and Changes

The *NPRM* proposes new long distance call data retention that would require significant industry changes and investments from current data retention. The newly proposed rule for §64.2103 would require the originating long distance voice service provider to retain for six months for all attempted calls the following information: (i) calling party number; (ii) called party number; (iii) date; (iv) time; (v) an indication of whether the call was handed off to an intermediate provider or not and, if so, which intermediate provider; (vi) an indication whether

[12] *NRPM* at ¶ 29.

the called party number was assigned to a rural telephone company or not and, if so, the OCN of the rural telephone company; (vii) an indication of whether the call was interstate or intrastate; (viii) an indication whether the call was answered or not.[13] The *NPRM* seeks comment on originating carriers' current record retention practices as well as the benefits and burdens associated with implementing new practices prescribed under the rule.[14]

Of the requirements proposed above, Frontier already retains six of the eight proposed data points, yet the two that are not industry standard—the information on intermediate providers and the information on whether the called party was assigned to a rural telephone company—would prove difficult to implement, particularly when layered with other complexities found in the *NPRM*. The information on intermediate providers would be difficult to record. While Frontier can identify which provider it handed the call to, this is not currently a standard item for retention and would require significant technological changes to standardize this practice. The indication of whether the called party number was assigned to a rural telephone company would also require either a new reference look-up or new technology. The implementation of these changes is made much more onerous by the Commission's proposal to require carriers to retain this information for six months. Frontier processes a tremendous volume of long distance calls daily and requiring retention of each call sent to a rural OCN, of which there are 1,351 on the Commission's proposed rural OCN list, is a massive amount of information to store. These changes would require new software to record and hardware to store the information, as well as devoting significant personnel resources to implementing the technological changes.

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[13] *NPRM* at Appendix A, §64.2103.

[14] *Id.* at ¶ 23.

To mitigate some of the burdens associated with the new data points and their retention, Frontier supports the Commission's proposal for requiring retention of a statistically valid sample instead of storing data for every call attempted over a six-month span. This would still allow the Commission to evaluate rural call completion issues without creating undue data storage costs. At a minimum, the data retention period should be reduced from six months to three months, which is more in line with current industry practices and still allows the Commission to evaluate a significant set of data.

III. CONCLUSION

The Commission should ensure that all calls are successfully completed. While Frontier believes that the Commission's proposals could have a positive effect on ensuring rural call completion, the Commission must ensure that the rules are necessary given the approaching access termination changes, are crafted in a way to produce valid results, and that the benefits and burdens associated with the rule changes are in balance.

Respectfully submitted,

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